



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
-----------------	-------------	----------------------	---------------------	------------------

10/586,980

05/18/2007

Anthony Gert Du Preez

23556-11898

2762

758 7590 02/25/2009

FENWICK & WEST LLP
SILICON VALLEY CENTER
801 CALIFORNIA STREET
MOUNTAIN VIEW, CA 94041

EXAMINER

AIRAPETIAN, MILA

ART UNIT

PAPER NUMBER

3625

MAIL DATE

DELIVERY MODE

02/25/2009

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

<i>Office Action Summary</i>	Application No.	Applicant(s)	
	10/586,980	DU PREEZ ET AL.	
	Examiner	Art Unit	
	MILA AIRAPETIAN	3625	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 16 December 2008.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-3 and 5-14 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-3, 5-14 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 20 July 2006 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Election/Restriction

Applicant's election with traverse of Group 1: claims 1-3, 5-14 in the reply filed on 12/16/2008 is acknowledged.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 13 and 14 is rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Claims 13 and 14 are directed to a system while reciting a logical unit for permitting..., a logical unit for checking..., etc. Given the broadest reasonable interpretation of the term "logical unit", the "system" can be reasonably interpreted as being directed to a program, per se, comprising at least one sub-program.

Furthermore, claims 1-3, 5-12, as best understood, it appears that the claimed method steps could simply be performed by mental process alone and are not statutory. Based on Supreme Court precedent 1 and Federal Circuit decisions a §101 process must:

(1) be tied to another statutory class (such as a particular apparatus) or

(2) transform underlying subject matter (such as an article or materials) to a different state or thing.

The independent claim 1 is directed towards steps of "designating", "permitting", "conducting", etc., and can be implemented manually without technology. Since the claims are directed to a process without including another statutory class of invention (manufacture, machine, composition of matter), these claims fall within the scope of human intelligence alone, and are non-statutory.

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 9-11 and 14 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Regarding claims 9 and 14, the phrase "eg. price, quality, delivery and service" renders the claim indefinite because it is unclear whether the limitation(s) following the phrase are part of the claimed invention. See MPEP § 2173.05(d).

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Claims 1-3, 6, 7, 9-14 are rejected under 35 U.S.C. 102(b) as being anticipated by Alaia et al. (US 6,499,018).

Claim 1. Alaia et al. (Alaia) teaches a computer-implemented method controlling bidding in electronic auctions using bidder-specific bid limitations, the method including the steps of:

designating a time period for the online auction event (col. 4, lines 15-16);

permitting each of said competing participants to prescribe a default final offer before or during the online auction event (col. 9, lines 58-63);

conducting the auction between the competing participants by permitting the participants to submit bids (col. 5, lines 5-28);

checking, at or after the expiry of said time period, default final offers prescribed by competing participants (col. 12, lines 60-67); and

if a competing participant's default final offer represents a competitive offer, registering the offer as a valid bid without any further intervention by that competing participant (col. 13, lines 36-39).

Claim 2. Alaia teaches said method, whereby the step of a registering a competing participant's default final offer as a valid bid involves comparing that default final offer to bids submitted during the online auction event and to other default final offers (col. 13, lines 62-67; col. 14, lines 1-5).

Claim 3. Alaia teaches said method, said online auction event being a reverse auction event, wherein said first party is a buyer and the counterparties are competing suppliers, and whereby a competitive offer is an offer that represents a lower price to said buyer, the default final offer representing a supplier's floor price for the event (col. 2, lines 23-25).

Claim 6. Alaia teaches said method wherein, for a competing participant which has entered a default final offer, the steps of: comparing all offers submitted by that competing participant during the online auction event with that default final offer; and providing a warning message to that competing participant if the result of the comparison indicates that an erroneous offer has been submitted (col. 25, lines 23-37).

Claim 7. Alaia teaches said method whereby the online auction event is carried out over a computer network comprising an auction administrator computer, operable by or on behalf of the first party and at least two counterparty computers, operable by or on behalf of said competing participants, whereby said default final offers are prescribed by

Art Unit: 3625

competing participants by input into respective counterparty computers and storage on said administrator computer (col. 17, lines 3-20).

Claim 9. Alaia teaches said method wherein the online auction involving the award of a supply contract to a supplier selected from a panel of predetermined suppliers which each has a base supply contract with a first party buyer, and the computer network over which the online auction is carried comprises at least one buyer computer, an administrator computer, and at least two supplier computers, said buyer being the first party and said predetermined suppliers being the competing participants (col. 3, lines 1-5), the method including the steps of:

establishing key parameters for the supply contract to be submitted by the administrator computer to the at least two supplier computers (eg. price, quality, delivery and service) (col. 3, lines 35-39);

establishing a rating/qualifications for each supplier of the panel of predetermined suppliers related to said key parameters (col. 3, lines 35-39);

receiving during the auction supplier offers from the supplier computers col. 3, lines 46-54); and

applying the respective ratings to each supplier offer to adjust that offer prior to comparison with any other offer (col. 3, lines 35-39).

Claim 10. Alaia teaches said method whereby, during the auction event, each supplier is provided with a target bid (TB) in respect of the supply contract, the target bid

Art Unit: 3625

calculated by said administrator computer to dynamically indicate to a supplier an offer that that particular supplier must currently submit to remain competitive in the auction (col. 23, lines 1-5).

Claim 11. Alaia teaches said method whereby the step of checking default final offers at or after the expiry of said time period involves applying the respective ratings to the default final offers, in order to determine the default final offer which represents the most competitive offer (col. 3, lines 35-39).

Claim 12. Alaia teaches said method including the step of permitting each said competing participant to select whether their default final offer is to apply at the end of the auction event and/or in an extension period beyond the close of the auction event (col. 15, lines 53-59).

System claims 13 and 14 repeat the subject matter of method claims 1 and 9 respectively, as a set of apparatus elements rather than a series of steps. As the underlying processes of claims 1 and 9 have been shown to be fully disclosed by the teachings of Alaia in the above rejections of claims 1 and 9, it is readily apparent that the system disclosed by Alaia includes the apparatus to perform these functions. As such, these limitations are rejected for the same reasons given above for method claims 1 and 9, and incorporated herein.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 5 and 8 are rejected under 35 U.S.C. 103(a) as being unpatentable over Alaia in view of Segal (US 2002/0161689).

Claim 5. Alaia teaches all the limitations of claim 5 except maintaining confidential a default final offer entered by a competing participant unless and until that offer is registered as a valid bid.

Segal teaches a computer-implemented method selling tickets in a reverse auction environment wherein the floor price is not revealed to any bidding seller [0023].

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify Alaia to include maintaining confidential a default final offer entered by a competing participant unless and until that offer is registered as a valid bid, as disclosed in Segal, to receive the lowest price possible to accommodate customer's needs.

Claim 8. Same reasoning applied to claim 5.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to MILA AIRAPETIAN whose telephone number is (571)272-3202. The examiner can normally be reached on Monday-Friday 9:30 am - 6:00 pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jeffrey A. Smith can be reached on (571) 272-6763. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Mila Airapetian/
Examiner, Art Unit 3625